(b) The steps taken by SAIL to improve market realisation are as follows:

(i) Orienting product-mix to suit market requirements.

(ii) Thrust on sales of special quality/Value added products.

(iii) Value addition through conversion of Rerollables.

(iv) Adoption of segment-wise market strategies towards improvement in market share in segments offering higher realisation.

(v) Increase in despatches directly from the Plants to the customers.

Further to reduce losses, the restructuring plan drawn up by the SAIL includes inter-alia:

(a) A reduction in operational costs by reducing input costs, reducing consumption of raw materials and other inputs and by increasing operating efficiencies;

(b) Improvement in techno-economic parameters such as fuel and power consumption;

(c) Increased recovery for services-facilities;

(d) Right sizing manpower through a Voluntary Retirement Scheme (VRS);

(e) Assets restructuring;

(f) Disposal of idle assets; and

(g) Financial restructuring.

Restructuring and revival of HSCL

1949. SHRI ABANI ROY: Will the Minister of STEEL be pleased to state:

(a) whether Government have worked out a detailed restructuring and revival of public sector Hindustan Steel works Construction Limited;

(b) if so, the details of modalities worked out for the revival of HSCL;

(c) whether Government have sought any foreign financial assistance for the purpose; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) and (b) Yes, Sir. The Government had approved the revival of Hindustan Steelworks Construction Limited (HSCL), a public sector undertaking, through a Financial Restructuring-cum-Financial Assistance Package on 6.7.1999. The details of the revival package are as under:

(i) Conversion of plan loans as on 31.3.1999 into equity Rs. 97.10 crore;

(ii) Grant of moratorium on repayment of and interest holiday on all Government of India (GOI) loans upto 31.3.99 for 10 years;

(iii) Waiver of interest accrued and outstanding on all GOI loans as on 31.3.99 amounting to around Rs. 975.17 crore;

(iv) Grant of Rs. 79.33 crore non-plan loan during 1999-2000, with moratorium on repayment and interest holiday for five years subject to review at the end of five years;

(v) Exemption from payment of corporate tax in 1999-2000 on account of windfall profits due to waiver of interest on loans;

(vi) Continuance of Government Guarantee for Rs. 12 crore cash credit and Rs. 80 crore bank guarantee facilities, with waiver of guarantee commission of 1%; and

(vii) Provision of Government Guarantee and full interest subsidy for raising Rs. 318.36 crore as loan from the Banks during the three years 1999-2000 to 2001-2002 for separating 2000 employees per year.

(c) No, Sir.

(d) In view of (c) above, does not arise.